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5 Attorney for Plaintiff  
United States of America  
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7

8 IN THE UNITED STATES DISTRICT COURT FOR THE  
9 EASTERN DISTRICT OF CALIFORNIA

10 UNITED STATES OF AMERICA,

11 Plaintiff,

12 v.

13 REAL PROPERTY LOCATED AT 2363  
14 FAIRVIEW LANE, PLACER COUNTY,  
NEWCASTLE, CALIFORNIA, BEARING  
15 APN: 032-253-036, INCLUDING ALL  
APPURTENANCES AND IMPROVEMENTS  
16 THERETO,

17 REAL PROPERTY LOCATED ON LINCOLN  
STREET, PLACER COUNTY,  
18 ROSEVILLE, CALIFORNIA, BEARING  
APN: 012-200-010, INCLUDING ALL  
19 APPURTENANCES AND IMPROVEMENTS  
THERETO,

20 Defendants.  
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**2:04-CV-1867-WBS-JFM**

**STIPULATION FOR EXPEDITED  
SETTLEMENT BETWEEN PLAINTIFF  
UNITED STATES OF AMERICA AND  
WORLD SAVINGS BANK AND ORDER  
THEREON**

22 IT IS HEREBY STIPULATED by and between plaintiff United  
23 States of America and claimant World Savings Bank ("World"),  
24 through their respective counsel of record, that World has a  
25 valid pre-existing mortgage lien on the defendant real property  
26 which is not contested by plaintiff.

27 Plaintiff United States of America and claimant World  
28 further stipulate that:

1           1.   Any violations of 21 U.S.C. § 881 (a)(6) and (7)  
2 involving the defendant property located at 2363 Fairview Lane,  
3 Placer County, Newcastle, California, occurred without the  
4 knowledge and consent of World.

5           2.   Plaintiff United States agrees that upon entry of a  
6 final order of forfeiture in favor of the United States,  
7 plaintiff, through the United States Marshals Service or its  
8 agent(s), shall undertake to sell the defendant real property in  
9 a commercially reasonable manner and to sell said property at a  
10 private sale for fair market value (the "Purchase Price"). The  
11 following costs and expenses of sale shall be deducted from the  
12 Purchase Price and paid directly out of escrow in the following  
13 order and to the extent that funds are available:

14               (a)   First, the costs incurred by the United States  
15 Marshals Service to the date of close of escrow, including the  
16 cost of posting, service, advertising, and maintenance;

17               (b)   Second, to the Placer County Tax Collector (for  
18 real property taxes) of all real property taxes assessed and  
19 unpaid against the defendant real property prorated to the date  
20 of entry of the final order of forfeiture;

21               (c)   Third, the costs and expenses associated with the  
22 sale of the real property.

23               (d)   Fourth, any county transfer taxes.

24               (c)   Fifth, to World as follows:

25                   (i)   all unpaid principal due to World under the  
26 promissory note dated June 9, 2004, a true and correct copy of  
27 which is attached hereto as Exhibit "A" ("Note"), and which is  
28

1 secured by a deed of trust dated June 9, 2004, and recorded June  
2 11, 2004, as instrument number 2004-0076837 of the Official  
3 Records of Placer County, California ("Deed of Trust "), a true  
4 and correct copy of which is attached hereto as Exhibit "B".

5 (ii) all unpaid interest due as of the date of  
6 the closing of the sale of the defendant real property at the  
7 contractual (not default) adjustable rate under the above-  
8 referenced Note;

9 (iii) all fees, costs, and advances, including but  
10 not limited to prepayment fees, taxes and hazard insurance as  
11 provided under the terms of the Note and Deed of Trust.

12 3. The payment to World shall be in full settlement and  
13 satisfaction of any and all claims by World to the defendant  
14 property and all claims resulting from the incidents or  
15 circumstances giving rise to this lawsuit.

16 4. Upon payment, claimant World agrees to assign and  
17 convey its security interest to the United States via recordable  
18 documents and to release and hold harmless the United States, and  
19 any agents, servants, and employees of the United States, (or any  
20 state or local law enforcement agency) acting in their individual  
21 or official capacities, from any and all claims by the financial  
22 institution and its agents which currently exist or which may  
23 arise as a result of the government's action against the  
24 property.

25 5. In the event it is determined that the proceeds of a  
26 sale of defendant real property would be insufficient to pay  
27 World in full as set forth in ¶ 2(c) (i)-(iii), above, after the  
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1 disbursements described in ¶ 2 (a)-(c) hereinabove are made,  
2 the plaintiff United States agrees stipulate to a release of its  
3 interest in the defendant real property and consent to the  
4 exercise of World's state law rights to foreclose upon its deed  
5 of trust which secures the obligation to World.

6       6. Claimant World agrees not to pursue against the United  
7 States any other rights that it may have under the mortgage  
8 instrument, including, but not limited to, the right to initiate  
9 a foreclosure action without the consent of the United States  
10 Attorney's Office or this Court.

11       7. Claimant World agrees to notify the United States  
12 Attorney at the end of the first payment cycle in which a payment  
13 in not made under the terms specified in the security instrument  
14 and promissory note. Claimant further agrees to join any  
15 government motions for interlocutory or stipulated sale of the  
16 defendant property and any motions to remove occupants from the  
17 property for nonpayment of mortgage or rent, destruction of  
18 property, or other just cause.

19       8. Claimant World understands and agrees that by entering  
20 into this stipulation of its interests in the defendant real  
21 property, it waives any rights to further litigate against the  
22 United States and its interest in the defendant and to petition  
23 for remission or mitigation of the forfeiture. Unless otherwise  
24 provided by this Stipulation or specifically directed by order of  
25 this Court, World is hereby excused and relieved from further  
26 participation in this action.

1        10. World understands and agrees that the United States  
2 reserves the right to void the expedited settlement agreement if,  
3 before payments of the mortgage or lien, the U.S. Attorney  
4 obtains new information indicating that the mortgagee or  
5 lienholder is not an "innocent owner: or "bona fide purchaser"  
6 pursuant to applicable forfeiture statutes. The U.S. Attorney  
7 also reserves the right, in its discretion, to terminate the  
8 forfeiture at any time and release the subject property. In  
9 either event, the United States shall promptly notify of the  
10 mortgagee or lienholder of such action. A discretionary  
11 termination of forfeiture shall not be a basis for any award of  
12 fees under 28 U.S.C. § 2465.

13        11. The parties agree to execute further documents, to the  
14 extent necessary, to convey clear title to the defendant real  
15 property to the United States and to further implement the terms  
16 of this stipulation.

17        12. The terms of this Stipulation are contingent upon  
18 forfeiture of the defendant real property to the United States  
19 and the Court's entry of a final judgment of forfeiture.  
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21 Dated: June 16, 2005

McGREGOR W. SCOTT  
United States Attorney

22  
23 By

/s/ Kristin S. Door

24 KRISTIN S. DOOR  
Assistant Unites States  
25 Attorney  
Attorney for Plaintiff

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2 Dated: June 13, 2005

/s/ Sharon C. Dutton

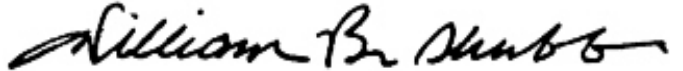
3 By

4 SHARON C. DUTTON  
5 Attorneys for Claimant  
6 World Savings Bank, FSB

(original signature retained  
by attorney)

7  
8 ORDER

9 SO ORDERED this 17th day of June, 2005

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12 WILLIAM B. SHUBB  
13 UNITED STATES DISTRICT JUDGE  
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